

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 02-0031P**

**Sales Tax  
For August 2001**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

**ISSUE(S)**

I. **Tax Administration** – Penalty

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**STATEMENT OF FACTS**

Taxpayer paid its August 2001 sales tax late and was assessed a late payment penalty. In a letter dated December 19, 2001, taxpayer protests the penalty assessed because it has been in business approximately twenty-one years. Taxpayer states that its business has steadily decreased making it difficult to meet the bills and states it has never gone past the month that taxes are due. Taxpayer feels it extremely unfair to continually receive notices in a declining economy. Taxpayer states that she has always made her payments in the month the tax was due.

Taxpayer is an early filer with payment due on the twentieth of the month. Taxpayer had remitted tax on several occasions after the early filing date and incurred late payment penalties. Taxpayer remitted the penalties for other late returns except the one indicated in the letter of findings.

The department has reviewed the account and found that the taxpayer had several other late sales tax payments in addition to late withholding tax payments.

Taxpayer, in a letter dated December 19, 2001 requests that the department waive the late payment penalty.

I. **Tax Administration** – Penalty

### **DISCUSSION**

Taxpayer was assessed a ten percent (10%) penalty because it paid its tax after the due date of the return for August 2001. Taxpayer is an early filer.

Taxpayer, in a letter dated December 19, 2001 protested the penalty assessed and stated that it was unfair to penalize someone in a declining economy and it has always made its payment within the month it was due.

Taxpayer has several other late payments on record including late filing and payments for withholding tax. Taxpayer has not provided reasonable cause to allow a waiver of the penalty assessed.

### **FINDING**

Taxpayer's protest is denied.